

## BUDGET, FINANCE & INVESTMENT COMMITTEE

March 10, 2011

5:30 P.M.

Courthouse

### MINUTES:

#### Members Present:

Comm. Charlie Baum  
Comm. Joe Frank Jernigan  
Comm. Will Jordan  
Comm. Robert Peay, Jr.  
Comm. Steve Sandlin  
Comm. Doug Shafer  
Comm. Joyce Ealy, Chrm.

#### Others Present:

Ernest Burgess  
Lisa Nolen  
Robert Arnold  
Joe Russell  
Wayne Blair  
Juli Bratcher  
Melissa Stinson  
Brian Robertson

#### Others Present:

Laura Bohling  
Bernard Salandy  
Michael Gregory  
Delwyn Corbitt  
Ransom Jones  
Dana Garrett  
Jeff Sandvig  
Rhonda Holton

#### Others Present:

Gary Clardy  
Phyllis Ferguson  
Bruce Haley  
Brian Lewis  
Clay Minatra  
David Parker  
Glenda Dyer  
Elaine Short

Chairman Ealy presided and called the meeting to order at 5:30 P.M. with Comm. Shafer being absent at that time.

### APPROVE MINUTES:

The minutes of the February 10, 2011 Budget Committee meeting were presented for approval.

Comm. Jernigan moved, seconded by Comm. Jordan to approve the minutes as presented.

The motion passed unanimously by acclamation.

### INVESTMENT REPORT:

Mrs. Juli Bratcher, Chief Deputy Trustee's Office, presented the monthly Investment Report advising that the LGIP interest rate was .20%. Mrs. Bratcher advised that one investment transaction had occurred during the past month with First Tennessee Bank receiving the bid for a \$5 million CD for one year at an interest rate of .40%. Mrs. Bratcher advised that last year the same CD amount earned an interest rate of 1.65%.

Regarding the property tax collections, Mrs. Bratcher advised that the collections were down at the end of February compared to February of last year. However, through March 9, the property tax collections were ahead of the entire month for March of last year. Therefore, the total collections were ahead of the collections for the same period last year.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the monthly Investment Report as presented.

The motion passed unanimously by acclamation.

### FUND CONDITION REPORT:

Finance Director Lisa Nolen presented the monthly Fund Condition Report for the month ending February 28, 2011 for the use and information of the committee advising that the Development Tax collections totaled \$54,000 with the year-to-date collections being \$570,000. This compared to the same month last year when the Development Tax collections were \$68,250 with the year-to-date collections being \$1,053,000.

The committee reviewed the fund cash balances totaling \$195,824,197 with operating funds totaling \$192,272,486 and borrowed funds totaling \$3,551,711. This compared to February of last year when the total cash balances were \$212,417,377 with operating funds totaling \$185,708,411 and borrowed funds totaling \$26,708,966.

The Finance Director brought to the committee's attention the total cash in Fund 189, Other Capital Projects Fund (School Building Program), reminding them that they had previously voted to set aside \$1.3 million for the design of Stewarts Creek High School. She advised that

later in the meeting the Board of Education would be requesting to use some of the available money in the Whitworth-Buchanan Middle Project and the Oakland Middle School project for the design of the Eagleville High School additions and renovations.

The Finance Director presented an analysis of the revenue collections advising that the sales tax collections for the school system were 5.5% higher than they were for the same period of time in the prior year.

The local tax collections for the Debt Service Fund appeared to be lower than previous years, but the Finance Director reminded the committee that during the budget process last year, some of the property tax allocation was moved from the Debt Service Fund to the General Fund.

Following discussion, Comm. Jordan moved, seconded by Comm. Sandlin to approve the Fund Condition Report as presented. The motion passed unanimously by acclamation.

#### INSURANCE REPORT:

Ms. Melissa Stinson presented the monthly Insurance Report for the use and information of the committee advising that the total claims paid for the self-funded employee insurance fund were \$2,412,272. The cost per employee per month for medical, dental and vision was \$618.99 compared to \$635.32 for the same period in the prior year. Including the CareHere costs, the cost per employee per month was \$651.57 compared to \$652.71 for the prior year. The year-to-date average cost per employee was \$683.35 compared to \$730.22. She stated that the negative trend continued to progress.

The net OPEB Obligation was \$38,780,650.

Regarding the Work Injury performance, Ms. Stinson advised that there were 31 work injury claims during the month of February and 11 report only claims. The total claims paid were \$604,778, which was 86% of the prior year-to-date claims.

Following review, Comm. Sandlin moved, seconded by Comm. Peay to approve the monthly Insurance Report as presented. The motion passed unanimously by acclamation.

### **GENERAL FUND BUDGET AMENDMENTS**

#### INSURANCE DEPARTMENT:

Ms. Stinson requested approval of the following budget amendment to recognize revenue received from table fees from vendors participating in the Employee Appreciation Day and to appropriate the fees to an expense account to purchase items for next year's event:

Increase Revenue:	101-44570 – Contributions & Gifts -	\$ 6,255
Increase Expend.:	101-51920-599 – Other Charges -	\$ 6,255

Comm. Sandlin moved, seconded by Comm. Peay to approve the budget amendment for the Insurance Department as requested increasing Account 101-44570, Contributions & Gifts, by \$6,255 and increasing Account 101-51920-599, Other Charges, by \$6,255.

The motion passed unanimously by roll call vote with Comm. Shafer being absent at that time.

#### ARCHIVES:

The Finance Director requested approval of the following budget amendment for the Archives Department to provide additional funding for the Other Salaries & Wages Account. Last Fiscal Year, the Archives Department received a Historic Preservation & Planning Grant. The employees being paid to work on the grant were paid from Part Time Personnel. However, the work was not quite complete, and the work carried over to July and August. There was no money budgeted for Part Time Personnel in the current budget, and the employee was paid from

Account 189, Other Salaries & Wages. This has caused a shortage in the line item, and the summer intern will begin working the middle of May, 2011. There is money available in the Consultants Line Item, because this account also dealt with the grant, and the expenses for the consultant were paid against a prior year purchase order, therefore leaving the balance of \$3,000:

From: 101-51910-308 – Consultants -	\$ 1,348
To: 101-51910-189 – Other Salaries & Wages -	\$ 1,248
101-51910-201 – Social Security -	80
101-51910-212 – Employer Medicare -	20

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the budget amendment for the Archives Department transferring \$1,348 from Account 101-51910-308, Consultants, with \$1,248 to Account 101-51910-189, Other Salaries & Wages, \$80 to Account 101-51910-201, Social Security, and \$20 to Account 101-51910-212, Employer Medicare.

The motion passed unanimously by roll call vote with Comm. Shafer being absent at that time.

CIRCUIT COURT CLERK:

Ms. Laura Bohling, Circuit Court Clerk, requested approval of the following budget transfers as part of the objective to provide services for the new Collections Department and provide appropriate switch capacity, cabling for phone lines, and network cable needs to support the department and the upgraded copier in the Circuit Criminal Division. She advised that there was no switch capacity available within the Judicial Building or first floor of the bank building. In addition, the cabling project will support additional security camera support within the clerk's offices. The switch upgrades will support future OIT assisted upgrades to the phone system (projected 2011-12):

From: 101-53100-435 – Office Supplies -	\$11,295
To: 101-53100-709 – Data Processing Equipment -	\$11,295

Ms. Bohling also requested approval of the following budget transfer advising that the objective is to replace two copiers that are at 1.5 million image prints to new machines that include copier, fax, and scanners:

From: 101-53100-334 – Maintenance Agreements -	\$ 3,156
101-53100-435 – Office Supplies -	398
To: 101-53100-719 – Office Equipment -	\$ 3,554

Comm. Jernigan moved, seconded by Comm. Peay to approve the budget transfers for the Circuit Court Clerk transferring \$11,295 from Account 101-53100-435, Office Supplies, to Account 101-53100,709, Data Processing Equipment; \$3,156 from Account 101-53100-334, Maintenance Agreements, and \$398 from Account 101-53100-435, Office Supplies, with a total of \$3,554 to Account 101-53100-719, Office Equipment.

Brian Robertson advised that \$7,000 of the cost was because the switch in the Circuit Clerk's Office was at capacity. He stated that typically he would have included that cost in the regular OIT budget, but he explained that the Circuit Clerk needed about six ports on a 48-port switch. He explained that the remaining ports would be used for various other things that might occur throughout the building.

Following discussion, the motion to approve the budget transfers for the Circuit Court Clerk transferring \$11,295 from Account 101-53100-435, Office Supplies, to Account 101-53100-709, Data Processing Equipment, \$3,156 from Account 101-53100-334, Maintenance Agreement, and \$398 from Account 101-53100-435, Office Supplies, with a total of \$3,554 to Account 101-53100-719, Office Equipment, passed by roll call vote with Comm. Shafer voting "pass".

GENERAL SESSIONS COURT:

The Finance Director requested approval of the following budget amendment to provide funding to pay the accumulated leave and the related benefits for a law clerk whom has left employment:

From:	101-53300-348 – Postal Charges -	\$ 300
	101-53300-337 – Maint./Repair Office Equipment -	500
	101-53300-435 – Library Books -	403
To:	101-53300-187 – Overtime Pay -	\$1,000
	101-53300-201 – Social Security -	62
	101-53300-204 – State Retirement -	126
	101-53300-212 – Employer Medicare -	15

Comm. Jordan moved, seconded by Comm. Jernigan to approve the budget amendment for the General Sessions Court with \$300 from Account 101-53300-348, Postal Charges, \$500 from Account 101-53300-337, Maintenance & Repair Office Equipment, \$403 from Account 101-53300-435, Library Books, and \$1,000 to Account 101-53300-187, Overtime Pay, \$62 to Account 101-53300-201, Social Security, \$126 to Account 101-53300-204, State Retirement, and \$15 to Account 101-53300-212, Employer Medicare.

The motion passed unanimously by roll call vote.

CORRECTIONAL WORK CENTER:

Mr. Bernard Salandy, Correctional Work Center Superintendent, requested approval of the following budget transfers to provide adequate funding for the Maintenance & Repair of Buildings, Maintenance & Repair of Equipment, and Dues and Memberships utilizing available funds in the Medical and Dental Services, Drugs and Medical Supplies, and Gasoline Accounts. He also requested additional funding for Utilities with the funds coming from the Unassigned Fund Balance:

From:	101-54220-340 – Medical/Dental Services -	\$ 500
	101-54220-413 – Drugs/Medical Supplies -	4,000
	101-54220-425 – Gasoline -	2,505
To:	101-54220-335 – Maint./Repair Buildings -	\$5,000
	101-54220-336 – Maint./Repair Equipment -	2,000
	101-54220-320 – Dues/Memberships -	5
From:	101-39000 – Unassigned Fund Balance -	\$50,000
To:	101-54220-452 – Utilities -	\$50,000

Comm. Peay moved, seconded by Comm. Shafer to approve the budget transfers and amendments for the Correctional Work Center as requested with \$500 from Account 101-54220-340, Medical and Dental Services; \$4,000 from Account 101-54220-413, Drugs and Medical Supplies; \$2,505 from Account 101-54220-425, Gasoline; with \$5,000 to Account 101-54220-335, Maintenance and Repair Buildings; \$2,000 to Account 101-54220-336, Maintenance and Repair Equipment; and \$5 to Account 101-54220-320, Dues and Memberships; \$50,000 from Account 101-39000, Unassigned Fund Balance; and \$50,000 to Account 101-54220-452, Utilities.

The motion passed unanimously by roll call vote.

PET ADOPTION & WELFARE SERVICES:

Mr. Michael Gregory, PAWS Director, requested approval of the following budget amendment to provide additional funding for the Part Time Personnel and the related benefits utilizing donations that have been given to PAWS during the current Fiscal Year:

Increase Revenue:	101-44570 – Contributions/Gifts -	\$12,702
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Increase Expend.:	101-55120-169 – Part Time Personnel -	\$11,800
	101-55120-201 – Social Security -	731
	101-55120-212 – Employer Medicare -	171

Comm. Jernigan moved, seconded by Comm. Jordan to approve the budget amendment for PAWS as requested increasing revenue Account 101-44570, Contributions and Gifts, by \$12,702, and increasing expenditure Accounts 101-55120-169, Part Time Personnel, by \$11,800; 101-55120-201, Social Security, by \$731; and 101-55120-212, Employer Medicare by \$171.

The motion passed unanimously by roll call vote.

#### STORM WATER:

Mr. Del Corbitt, County Engineer, requested approval of the following budget transfer for the Storm Water Department to provide additional funding for the Part Time Personnel Account to meet storm water requirements in the field and to update files in GIS:

From:	101-57800-103 – Assistants -	\$4,200
To:	101-57800-169 – Part Time Personnel -	\$4,200

Comm. Jernigan moved, seconded by Comm. Peay to approve the budget transfer for the Storm Water Department as requested transferring \$4,200 from Account 101-57800-103, Assistants, to Account 101-57800-169, Part Time Personnel.

The motion passed unanimously by roll call vote.

#### FIRE & RESCUE:

Mayor Burgess requested approval of the following budget amendment to recognize contributions that have been received from the residents of the Summer Place Subdivision to have a fire hydrant installed. The amendment appropriates the contributions to Other Contracted Services to pay for the installation of the fire hydrant:

Increase Revenue:	101-44570 – Contributions/Gifts -	\$4,200
Increase Expend.:	101-54320-399 – Other Contracted Services -	\$4,200

Comm. Jernigan moved, seconded by Comm. Peay to approve the budget amendment increasing revenue Account 101-44570, Contributions and Gifts by \$4,200 and increasing expenditure Account 101-54320-399, Other Contracted Services, by \$4,200.

The motion passed unanimously by roll call vote.

#### JUVENILE COURT:

The Finance Director requested approval of the following budget amendment for the Juvenile Court to provide sufficient funding to complete the Fiscal Year to pay the Magistrate and the Guardian ad Litem:

From:	101-39000 – Unassigned Fund Balance -	\$16,000
To:	101-53500-399 – Other Contracted Services -	\$16,000

Comm. Sandlin moved, seconded by Comm. Peay to approve the budget amendment for the Juvenile Court amending \$16,000 from Account 101-39000, Unassigned Fund Balance, to Account 101-53500-399, Other Contracted Services.

The motion passed unanimously by roll call vote.

OPERATING TRANSFERS:

The Finance Director reminded the committee that at the February 10 Budget Committee meeting, the committee voted to close several General Capital Project Fund projects with one being the Ambulance Station Project. The committee approved transferring the balance of \$10,331 back to the Development Tax in the General Fund. Mrs. Nolen requested approval of the following budget amendment recognizing the revenue being transferred from the Ambulance Station Project to the General Fund increasing the Development Tax reserve:

Increase Revenue:	101-49800 – Transfers In -	\$10,331
Increase Reserve:	101-34585 – Restricted for Capital Projects -	\$10,331

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the budget amendment as requested increasing Account 101-49800, Transfers In, by \$10,331 and increasing Account 101-34585, Restricted for Capital Projects, by \$10,331.

The motion passed unanimously by roll call vote.

JAIL:

Sheriff Robert Arnold and Chief Deputy Joe Russell requested approval of the following budget amendment to recognize revenue for the Murfreesboro Police Department and appropriate it to Maintenance and Repair Equipment related to the Fingerprinting Agreement:

Increase Revenue:	101-48130 – Contributions -	\$25,000
Increase Expend.:	101-54210-336 – Maint./Repair Equipment -	\$25,000

Comm. Shafer moved, seconded by Comm. Jordan to approve the budget amendment for the Jail as requested increasing Account 101-48130, Contributions, by \$25,000 and increasing Account 101-54210-336, Maint./Repair Equipment, by \$25,000.

The motion passed unanimously by roll call vote.

RECOMMENDATION TO LOOK AT FUNDING FOR THE DESIGN OF THE JAIL EXPANSION/RENOVATION:

The Property Management Committee approved a motion to look at funding the design of the jail expansion/renovation. The estimated cost is \$9 million.

Mayor Burgess advised that before Sheriff Arnold became Sheriff, some preliminary design plans had been developed for renovating the jail and other parts of the Sheriff's Office and constructing an addition. He advised that the discussion had been re-initiated, and the Sheriff had reiterated the need for the improvements.

It was the consensus of the committee that the request for funding for the design of the jail expansion and renovations should go to the Public Safety Committee first with a recommendation being forwarded to the Budget Committee.

REQUEST APPROVAL OF GRANT APPLICATION TO THE U. S. DEPARTMENT OF JUSTICE UNDER THE SOLVING COLD CASES WITH DNA PROGRAM:

Joe Russell advised that a grant with the U. S. Department of Justice, Office of Justice Programs has been applied for. The deadline to apply was March 8. There are no matching funds required. If received the grant proceeds will be used to assist the Cold Case Unit.

Sheriff Arnold advised that this would be a county-wide collaboration with Murfreesboro, Smyrna and La Vergne being on board and wanting to send their personnel for training. He stated that they would work on all cold cases within the county. Sheriff Arnold also advised that the District Attorney was supportive of the initiative to investigate cold cases.

The grant period is 18 months, and the proceeds will be used to hire one new investigator/detective, plus overtime, travel, equipment and a consultant. The total amount applied for was \$229,133.74.

Mayor Burgess noted that there was no requirement to retain the new detective once the grant had ended.

Following discussion, Comm. Shafer moved, seconded by Comm. Jernigan to authorize the County Mayor and any other officials of Rutherford County to submit the grant application to the U. S. Department of Justice, Office of Justice Programs for the Solving Cold Cases with DNA Grant in the amount of \$229,133.74 with no local matching funds required.

The motion passed unanimously by roll call vote.

AMBULANCE SERVICE FUND BUDGET AMENDMENT:

Finance Director Lisa Nolen requested approval of the following budget transfer to correct the step for an employee who should have received a step increase in the 2010-2011 budget but did not:

From: 118-55130-133 – Paraprofessionals -	\$1,102
To: 118-55130-119 – Accountants/Bookkeepers -	\$1,102

Comm. Jordan moved, seconded by Comm. Sandlin to approve the budget transfer for the Ambulance Service to correct the step for an employee transferring \$1,102 from Account 118-55130-133, Paraprofessionals, to Account 118-55130-119, Accountants/Bookkeepers.

The motion passed unanimously by roll call vote.

REQUEST APPROVAL OF POSTION UPGRADE FOR THE ELECTION COMMISSION EXECUTIVE ASSISTANT:

Mr. Ransom Jones, Chairman Election Commission, requested approval to upgrade the Executive Assistant's position from a pay grade six, step two to an Elections Coordinator at a pay grade seven, step one. Mr. Jones advised that currently there was a vacant position in the department, which would provide available funds for the upgrade in the current year budget. The increase in salary will be approximately \$2,930 annually plus benefits.

Mayor Burgess advised that the Human Resources Director had reviewed the job duties, and was in agreement with the upgrade.

Comm. Sandlin asked if it would be more appropriate to consider the request in the 11-12 budget process.

Mr. Jones advised that it would not cost any additional money this year, because it would be utilizing money from a vacant position.

Following discussion, Comm. Sandlin moved; seconded by Comm. Peay to approve the request to upgrade the Election Commission's Executive Assistant's position from a pay grade six, step two to an Election Coordinator at a pay grade seven, step one.

The motion passed unanimously by roll call vote.

APPROVE LEASE AGREEMENTS FOR POSTAGE MACHINES FOR HEALTH DEPARTMENT:

Mrs. Dana Garrett, Health Department Director, requested approval of lease agreements for the postage meters for both the Murfreesboro office and the Smyrna office. The cost for the lease for the postage machine at the Murfreesboro facility was \$195 per month for 60 months. The

cost for the lease at the Smyrna facility was \$110 per month for 60 months. Mrs. Garrett advised that she was not requesting any additional funds, but was requesting to continue the lease already in place.

The Finance Director advised that the lease payments were paid from the County's portion of funding for the Health Department, and the State provided funding for the postage, itself.

Mrs. Garrett advised that the lease payment for Smyrna's postage machine was approximately \$12 more per month, because they were getting an updated machine.

Following discussion, Comm. Jernigan moved, seconded by Comm. Peay to authorize the County Mayor and other appropriate officials of Rutherford County to execute lease agreements with Pitney Bowes Global Financial Services for the postage meter for the Murfreesboro Health Department at a cost of \$195 per month for 60 months and for the postage meter for the Smyrna Health Department at a cost of \$110 per month for 60 months.

The motion passed unanimously by roll call vote.

RECOMMENDATION FOR FUNDING FOR THE DESIGN OF PHASE I AND PHASE II OF EAGLEVILLE HIGH SCHOOL:

Mr. Jeff Sandvig, Assistant Superintendent, and Mr. Gary Clardy, Assistant Superintendent of Engineering were present to request approval to use \$350,000 in internal funding from the Oakland and Whitworth Buchanan Middle Schools projects to fund the design fees for both Eagleville additions until an Oakland and Whitworth Buchanan Middle Schools end-of-project cleanup amendment is brought forward to the Board and County Commission. Mr. Sandvig advised that he would be taking the amendment to the Board in April, and it would be presented to the Budget Committee in May.

Comm. Jordan said that a constituent had asked him if the school design would be done without knowing for sure if the project was going to be done. He asked Mr. Clardy if the design would still be good even if the project was not done immediately. He asked if there was a change in codes would that be a significant impact on the cost of the project.

Mr. Clardy said that the design would still be good, and that they were charged for the actual amount of the design. He stated that there would be money left after the design for the actual administration of the contract documents through the architect. He stated that they would only pay upfront for the design of the plan.

Comm. Jernigan moved, seconded by Comm. Jordan to approve the use of \$350,000 in internal funding from the Oakland and Whitworth-Buchanan Middle Schools projects to fund the design fees for both Eagleville additions until an Oakland and Whitworth Buchanan Middle Schools end-of-project cleanup amendment was brought forward to the Board and the County Commission.

Comm. Sandlin asked Mr. Clardy what were the Board's plans as far as the actual construction of the project, and if both phases would be done at the same time, or if Phase I would be done followed up by Phase II.

Mr. Clardy advised that the Board had discussed doing both Phase I and II together. However, depending on the availability of funds, they would definitely do Phase I. If the funds were okay, they would build both Phase I and Phase II at the same time.

Mr. Clardy explained that Phase I would consist of a new auditorium, cafeteria expansion, science labs, and band room. Phase II would consist of 10 classrooms and an unfinished basement that would serve as an athletic locker room.

Following discussion, the motion to approve the use of \$350,000 in internal funding from the Oakland and Whitworth-Buchanan Middle Schools projects to fund the design fees for both



Eagleville additions until an Oakland and Whitworth-Buchanan Middle Schools end-of-project cleanup amendment was brought forward to the Board and the County Commission passed unanimously by roll call vote.

APPROVE AMENDMENT ONE TO AGREEMENT WITH THE STATE DEPARTMENT OF MENTAL HEALTH FOR THE PAYMENT OF MENTAL HEALTH EVALUATION AND TREATMENT SERVICES FOR CRIMINAL DEFENDANTS CHARGED WITH MISDEMEANORS ONLY:

Finance Director Lisa Nolen requested approval of Amendment One of the Contract with the Tennessee Department of Mental Health for the payment for mental health evaluation and treatment services for criminal defendants charged with misdemeanors only. She explained that the amendment extended the contract until June 30, 2012.

Comm. Sandlin moved, seconded by Comm. Jordan to authorize the County Mayor to execute Amendment One of the Contract with the Tennessee Department of Mental Health for the payment for mental health evaluation and treatment services for criminal defendants charged with misdemeanors only extending the contract period through June 30, 2012.

Comm. Jordan stated that this was a service that the State previously paid for, and now the county had to pay for it. He stated that it was an unfunded mandate.

Mayor Burgess advised that the State had given the county a discounted fixed hourly rate.

Following discussion, the motion to authorize the County Mayor to execute Amendment One of the Contract with the Tennessee Department of Mental Health for the payment for mental health evaluation and treatment services for criminal defendants charged with misdemeanors only extending the contract period through June 30, 2012 passed by roll call vote with Comm. Shafer voting "no".

APPROVE AMENDMENT FOUR TO GRANT CONTRACT WITH THE STATE DEPARTMENT OF HUMAN SERVICES FOR CHILD SUPPORT ENFORCEMENT:

The Finance Director requested approval of Amendment Four to the Grant Contract with the Tennessee Department of Human Services for Child Support Enforcement. She advised that the amendment extended the contract to June 30, 2012. She explained that the grant paid a portion of the magistrate's salary for the amount of his time that was spent solely on IV-D Child Support Services. For that portion of his salary, the state paid the county 66%. The maximum liability of the State for the period of July 1, 2008 through June 30, 2012 was \$130,160.

Comm. Jordan moved, seconded by Comm. Sandlin to authorize the County Mayor to execute Amendment Four to the Grant Contract with the Tennessee Department of Human Services extending the term of the contract through June 30, 2012. The motion passed unanimously by roll call vote.

APPROVE CONTRIBUTION AGREEMENT WITH THE USDA NATURAL RESOURCES CONSERVATION SERVICE:

The Finance Director requested approval of a Contribution Agreement with the USDA Natural Resources Conservation Service for the period of March 1, 2011 through February 28, 2012. She explained that this grant funded a part time employee for the Soil Conservation Department and was funded with \$10,000 from the County, \$10,000 from the State, and \$10,000 from the Federal Government.

Comm. Sandlin moved, seconded by Comm. Peay to approve the Contribution Agreement with the USDA Natural Resources Conservation Service for the period of March 1, 2011 through February 28, 2012 to implement Farm Bill activities with \$10,000 being funded from the County, \$10,000 being funded from the State, and \$10,000 from the Federal Government.

The motion passed unanimously by roll call vote.

REQUEST ENDORSEMENT OF FORMING AN AUDIT COMMITTEE:

Chairman Ealy reminded the committee that at the February 10 Budget Committee meeting, the Finance Director presented information regarding establishing an Audit Committee. The Finance Director recommended that the Audit Committee be established. Chairman Ealy advised that the Comptroller's Office had recommended the Audit Committee as a benefit to counties. Chairman Ealy advised that the Finance Director has requested that the Budget Committee endorse forming an Audit Committee and forward the recommendation to the Steering Committee.

Comm. Jernigan moved, seconded by Comm. Jordan that the Budget Committee endorses forming an Audit Committee and forward the recommendation to the Steering Committee.

Comm. Jordan asked what the estimated cost of the committee would be.

The Finance Director advised that there would be approximately two meetings per year, and that the cost would depend on how many members served on the committee.

Following discussion, the motion that the Budget Committee endorses forming an Audit Committee and to forward the recommendation to the Steering Committee passed unanimously by roll call vote.

2011-12 BUDGET SCHEDULE:

A proposed 2011-2012 budget schedule was presented to the committee for approval. The budget overview will be held at the regular meeting on May 5 at 5:30 P.M. The departments of the General Fund will be reviewed on May 10, May 16 and May 17 at 5:30 P.M. The Ambulance Service Fund will also be reviewed on May 17. The Highway Fund, Solid Waste/Sanitation Fund, and the Debt Service Fund will be reviewed on May 18 at 5:30 P.M. A joint meeting of the Health & Education Committee, School Board, and Budget Committee will be held at the Health and Education regular meeting on May 24 at the School Board Central Office. The Budget Committee will consider the schools' budgets on May 31 at 5:30 P.M. A recommendation will be made on June 2 for publication in the newspaper on June 12. The public hearing will be held on June 14. Other meeting dates for budget review will be June 20 and June 22. The budget is scheduled to be presented to the County Commission for adoption on June 27 at 9:00 A.M.

Comm. Shafer moved, seconded by Comm. Peay to approve the 2011-12 Budget Schedule as presented. The motion passed unanimously by acclamation.

ADJOURNMENT:

There being no further business to be presented at this time, Chairman Ealy declared the meeting adjourned at 6:34 P.M.

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Elaine Short, Secretary